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**WORLDCOM, INC.**  
**REBUTTAL TESTIMONY OF GREG DARNELL**  
**BEFORE THE PUBLIC SERVICE COMMISISON**  
**COMMONWEALTH OF KENTUCKY**  
**ADMINISTRATIVE CASE NUMBER 382**  
**JUNE 22, 2001**

**Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

A. My name is Greg Darnell, and my business address is 6 Concourse Parkway, Suite 3200, Atlanta, Georgia, 30328.

**Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?**

A. I am employed by WorldCom, Inc. (formerly known as MCI WorldCom, Inc.) as Regional Senior Manager -- Public Policy.

**Q. HAVE YOU PREVIOUSLY TESTIFIED?**

A. Yes, I have testified in proceedings before regulatory commissions in Alabama, California, Florida, Georgia, Louisiana, Mississippi, North Carolina, South Carolina and Tennessee, as well as before the Kentucky Public Service Commission ("Commission") and on numerous occasions have filed comments before the Federal Communications Commission ("FCC"). Provided as exhibit GJD-9 to this testimony is a summary of my academic and professional qualifications.

1 provides CLECs with usage data for local calls originating from resold  
2 flat-rate business and residential lines. Usage data includes date of  
3 call, 'from' number, 'to' number, connect time, conversation time, rate  
4 class, message type, billing indicators and 'bill to' number.

5  
6 **Q. HAVE YOU ANALYZED BELL SOUTH'S COST SUPPORT FOR  
DAILY USAGE FILE CHARGES (ADUF, ODUF AND EODUF)?**

7 A. Yes.

8

9 **Q. WHAT HAVE YOU DETERMINED BY YOUR ANALYSIS?**

10 A. BellSouth is attempting to double recover the cost of collecting call  
11 measurement detail. BellSouth proposes to recover this cost through  
12 its shared and common cost factor that it applies on all UNE rates and  
13 BellSouth proposes to recover this same cost once again through  
14 separate daily usage file charges.

15

16 **Q. HOW DO YOU KNOW THAT BELL SOUTH IS ATTEMPTING TO  
DOUBLE RECOVER DAILY USAGE FILE COSTS?**

17 A. As indicated on BellSouth's response to WorldCom's 1<sup>st</sup> set of data  
18 request in Mississippi, Item No. 7, BellSouth listed the expense  
19 accounts that it uses to capture daily usage file cost. These expense  
20 accounts are as follows: USOA 6124, 6623 and 6724. In the  
21 development of its shared and common cost factors, BellSouth uses its  
22 historical level of expense from these same accounts. The amounts  
23 contained in these accounts are not reduced by the amount of expense  
24 the BellSouth has included in the development of its proposed daily  
25 usage file charges. As such, this is a double recovery of expense and

1           there should be no separate charge for ADUF, ODUF and EODUF  
2           data.

3

4           **Q.     WHAT SHOULD THE COMMISSION DO GIVEN THIS DOUBLE  
5           RECOVERY OF DUF COST?**

6           A.     The Commission should reject BellSouth ADUF, ODUF and EODUF  
7           charges.

8

9           **Q.     EVEN IF THIS WERE NOT A DOUBLE RECOVERY OF DAILY  
10           USAGE FILE EXPENSE, HAS BELL SOUTH CORRECTLY  
11           CALCULATED ITS PROPOSED DAILY USAGE FILE CHARGES?**

12          A.     No. Assuming the level of cost contained in BellSouth daily usage file  
13          rate calculations is correct (which it is not), BellSouth would have failed  
14          to correctly calculate daily usage file rates by grossly understating  
15          CLEC demand.

16

17          **Q.     HOW HAS BELL SOUTH GROSSLY UNDERSTATED CLEC  
18           DEMAND FOR DAILY USAGE FILE DATA?**

19          A.     On the excel spreadsheet file, ADUF.xls, BellSouth has assumed that  
20          CLEC demand for ADUF message data region-wide will only be 2.19  
21          billion messages in the year 2009. This compares to BellSouth access  
22          message demand of at least 47.4 billion region-wide in the year 2009.  
In doing so, BellSouth has assumed that CLEC will only have captured  
approximately 4.6% of the local market in the BellSouth territory in the  
year 2009.<sup>1</sup> A more reasonable extrapolation of historical demand

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<sup>1</sup> In response to WorldCom data request #5, BellSouth showed that in 1997 it recorded 1,391,913,343 access messages in Mississippi. FCC ARMIS data shows that Mississippi was approximately 5.27% of BellSouth's total market in 1997. As such BellSouth had approximately 26,412,017,894 access messages region-wide in 1997. Growing this demand at a conservative 5% per year projects a year 2009 access demand level of 47.4 billion messages.

